

Interest Free Home Improvement Loan Program

First Selectman Kevin Lyden has announced that the Town of Salem is applying for a \$400,000 Community Development Block Grant (CDBG) under the housing rehabilitation category for town-wide housing rehabilitation. As part of the award, the Town of Salem is seeking interested parties to develop a waiting list of property owners interested in participating in the program.

The purpose of this grant is to provide funds for low and moderate income homeowners to make needed repairs to their homes. To be eligible, single homeowners must have an annual income that does not exceed \$44,750 or a maximum of \$51,150 for a household of two. For households of 3 persons or more, please refer to the [2014 HUD Income Limits](#). In addition, homeowners must be tax current and have a minimum of 15% equity in their home.

One of the benefits of this grant is that since the money goes out as loans – at 0% interest which must eventually be repaid either by the homeowner or when the house changes title – the grant allows the Town to establish a revolving loan fund in perpetuity to provide assistance to some residents who need home repair but do not have the funds to make the repairs and who cannot obtain the funds through bank loans.

Some possible uses that have been identified include replacing failed furnaces, roofs, windows, and septic system repairs. These funds can provide for ADA modifications to homes as well, such as entrance ramps and bathroom modifications.

To be eligible for this grant, the Town must demonstrate that there is a demand and need for this program, that residents would welcome this assistance and would take advantage of the program to rehabilitate their homes.

Please visit the “Housing Rehabilitation Program” link on the Town of Salem’s website: www.salemct.gov to fill out a “letter of intent”. Filling out a letter of intent does not obligate you to apply to the program.

Also, anyone considering taking advantage of this program may contact Sue Spang, Office of the First Selectman at 860-859-3873 or call Small Cities Consultants Lisa Low & Associates at 203-888-5624. The deadline for submitting a letter of interest is March 28th, so time is of the essence. Please share this information with any friends or neighbors who may be interested.